

March 4, 2014

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**Notice Regarding Recognition of an Extraordinary Loss and
Revision of Performance Projection for the Fiscal Year 2014 (from April 1, 2013 to March 31, 2014)**

This is to give notice that Fuji Heavy Industries Ltd. (FHI) expects to recognize an extraordinary loss on consolidated results for the fiscal year ending March 31, 2014, and has revised the consolidated performance projection announced on February 4, 2014, for the fiscal year ending March 31, 2014, as follows.

1. Recognition of an Extraordinary Loss

As announced in the “Notice of Court Ruling in Connection with Lawsuit” dated February 28, 2014, in connection with court action brought by FHI on January 15, 2010, against the Government of Japan over claims of initial investment fees related to the AH-64D combat helicopter for the Japan Ministry of Defense, the court has rejected the claims of FHI.

FHI has been holding consultations with its legal counsel concerning further steps, including appeal, but has nonetheless decided to recognize an extraordinary loss of around ¥29.7 billion as allowances for doubtful accounts on the consolidated results for the fiscal year ending March 31, 2014 as a precaution for the case that the ruling is upheld.

2. Revision of Performance Projection

(1) Revision of Consolidated Performance Projection for the Fiscal 2014 (from April 1, 2013 to March 31, 2014)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous projection (A)	Millions of yen 2,380,000	Millions of yen 310,000	Millions of yen 294,000	Millions of yen 221,000	Ye n 283.19
Revised projection (B)	2,380,000	310,000	294,000	192,000	246.03
Increase and decrease (B-A)	0	0	0	(29,000)	
Change of percentage (%)	0.0	0.0	0.0	(13.1)	
Actual results of the Fiscal 2013 (ended March 31, 2013)	1,912,968	120,411	100,609	119,588	153.23

(2) Reason for Revision

The revision is due to the recognition of the extraordinary loss described in the Item 1 above. Notably, foreign exchange rates assumed for projections of full-year consolidated results are unchanged from the previous announcement as follows.

- ¥99/US\$, ¥133/EUR

Note: Projections mentioned above are based on information currently available, therefore actual results may differ from these projections due to various factors in the future.

End.